

AMENDED IN ASSEMBLY APRIL 22, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 1157

Introduced by Assembly Member Canciamilla

February 21, 2003

An act to amend Section 455.2 of the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 1157, as amended, Canciamilla. Public utilities: water rates.

Existing law requires the Public Utilities Commission to establish rates for water corporations and requires the commission to issue a final decision, within a specified timeframe, on a water corporation's application, involving a water corporation with greater than 10,000 service connections, for a general rate increase pursuant to the commission's rate case plan for general rate increase applications.

This bill would ~~state the intent of the Legislature that the requirement~~ *require* that the commission issue a final decision in an application by a water corporation with greater than 10,000 service connections, ~~is~~ without regard to when the application is filed or was previously filed.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 ~~SECTION 1.—In adding Section 455.2 to the Public Utilities~~
- 2 *SECTION 1. Section 455.2 of the Public Utilities Code is*
- 3 *amended to read:*

1 455.2. (a) The commission shall issue its final decision on a
2 general rate case application of a water corporation with greater
3 than 10,000 service connections in a manner that ensures that the
4 commission's decision becomes effective on the first day of the
5 first test year in the general rate increase application.

6 (b) If the commission's decision is not effective in accordance
7 with subdivision (a), the applicant may file a tariff implementing
8 interim rates that may be increased by an amount equal to the rate
9 of inflation as compared to existing rates. The interim rates shall
10 be effective on the first day of the first test year in the general rate
11 case application. These interim rates shall be subject to refund and
12 shall be adjusted upward or downward back to the interim rate
13 effective date, consistent with the final rates adopted by the
14 commission. The commission may authorize a lesser increase in
15 interim rates if the commission finds the rates to be in the public
16 interest. If the presiding officer in the case determines that the
17 commission's decision cannot become effective on the first day of
18 the first test year due to actions by the water corporation, the
19 presiding officer or commission may require a different effective
20 date for the interim rates or final rates.

21 (c) The commission shall establish a schedule to require every
22 water corporation subject to the rate case plan for water
23 corporations to file an application pursuant to the plan every three
24 years. The plan shall include a provision to allow the filing
25 requirement to be waived upon mutual agreement of the
26 commission and the water corporation.

27 (d) The requirements of subdivisions (a) and (b) may be waived
28 at any time by mutual consent of the executive director of the
29 commission and the water corporation.

30 (e) *This section applies to every pending general rate case*
31 *application of a water corporation with greater than 10,000*
32 *service connections, without regard to when the application is filed*
33 *or was previously filed. This subdivision does not constitute a*
34 *change in, but is declaratory of, the intent of the Legislature in*
35 *adding this section by enacting Chapter 1147 of the Statutes of*
36 *2002.*

37 ~~Code, the Legislature intended that it apply to every general rate~~
38 ~~case application of a water corporation with greater than 10,000~~
39 ~~service connections, without regard to when the application is filed~~

1 ~~or was previously filed. This section does not constitute a change~~
2 ~~in, but is declaratory of, existing law.~~

O

